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NetDragon Websoft Inc.

網龍網絡有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 777)

**CLOSING OF CONNECTED TRANSACTION
IN RELATION TO ISSUE OF CONVERTIBLE PROMISSORY NOTES
BY A SUBSIDIARY**

Reference is made to the announcement of the Company dated 14 September 2011 (the “**Announcement**”) in relation to the issue of the Notes under the Note Purchase Agreement. Unless defined otherwise, capitalized terms used herein shall have the same meanings ascribed to them in the Announcement.

The Board is pleased to announce that the Closing has taken place on 21 September 2011. 91 Limited has issued (i) the Note in the amount of US\$3,853,500 to IDG-Accel China Growth Fund L.P.; (ii) the Note in the amount of US\$787,500 to IDG-Accel China Growth Fund-A L.P.; and (iii) the Note in the amount of US\$359,000 to IDG Accel China Investors L.P.. The total purchase price of the Notes has been received by 91 Limited.

By order of the Board
NetDragon Websoft Inc.
Liu Dejian
Chairman

Hong Kong, 21 September 2011

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Liu Dejian, Mr. Liu Luyuan, Mr. Zheng Hui and Mr. Chen Hongzhan; one non-executive Director, namely Mr. Lin Dongliang; and three independent non-executive Directors, namely Mr. Chao Guowei, Charles, Mr. Lee Kwan Hung and Mr. Liu Sai Keung, Thomas.